



Office of The Attorney General  
**State of Connecticut**

March 23, 2004

Ann Stravalle-Schmidt, Esq.  
Director of Legal Services  
Connecticut Resources Recovery Authority  
100 Constitution Plaza, 17<sup>th</sup> Floor  
Hartford, CT 06103-1722

Dear Attorney Stravalle-Schmidt:

Thank you for your letter concerning a \$500,000 grant by the Connecticut Resources Recovery Authority ("the CRRA") to the National Geographic Education Foundation. You ask whether the CRRA's Board of Directors ("the Board") was authorized to make the grant and, if not, whether legal recourse exists for recovering the grant money. While I am not empowered to provide formal legal advice to the CRRA on this matter, I am happy to provide the following response to your inquiry.<sup>1</sup> As discussed below, it appears that the CRRA exceeded its authority in making the grant. The legislature simply did not intend or anticipate that the CRRA would expend what are essentially public funds on projects that have no relation to the CRRA's statutory responsibilities. Thus, if the National Geographic Society does not voluntarily return the grant money, you should consider instituting a legal action to rescind the grant and recover the grant funds.

On November 27, 1997, the Board authorized a \$500,000 grant ("the grant") to the National Geographic Education Foundation ("the Foundation") for the purpose of creating the Connecticut Geography Education Fund ("the Fund"). The grant was formalized in a Letter of Agreement ("Agreement") and a Letter of Understanding between CRRA and the Foundation, both executed on March 19, 1998 on behalf of CRRA by its then-acting President Robert Wright. The Agreement called for the CRRA to make two equal payments to the Foundation of \$250,000. The Foundation was to match the CRRA's contribution, for a total endowment of one million dollars.

According to the Agreement, the purpose of the Fund is "to encourage and support geography and environmental and international education programs in Connecticut." See Agreement at 1. Nothing in the Agreement requires that grant funds

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<sup>1</sup> The CRRA is not a state agency or department. See Conn. Gen. Stat. § 22a-261(a) ("The authority shall not be construed to be a department, institution or agency of the state.") Consequently, the Office of the Attorney General cannot provide formal legal advice to the CRRA or represent it in any legal actions it may commence, with the limited exception of matters relating to the Enron-Connecticut Light and Power transaction. See Conn. Gen. Stat. §§ 3-125 and 22a-268c.

be expended on issues specifically relating to CRRA's primary mission of recycling, waste reduction, or resource recovery or on matters relating to its member municipalities. Rather, the criteria for expenditures from the Fund is stated in the Agreement as follows: "Income from [CRRA's] contribution to the fund and the Foundation's matching grant will be used to encourage, increase and improve the teaching of geography and environmental and international issues in Connecticut, especially at the elementary and secondary school level, and to increase and disseminate geographic knowledge of these topics more broadly throughout Connecticut." Agreement at 2.

The grant was discussed at the November 20, 1997 meeting of CRRA's Board of Directors, presided over by then-Chairman Peter Ellef. According to the minutes of that meeting, no board member stated that the grant directly supported the CRRA's core statutory functions of recycling, waste reduction, or resource recovery. Rather, the minutes suggest that those board members supporting the grant believed it would increase the CRRA's visibility, improve its reputation among the public, and contribute to improvements in general environmental education.<sup>2</sup>

The extent of the CRRA's authority is governed by statute. The CRRA was created as part of the Solid Waste Management Services Act ("SWMSA"), Chapter 446e of the General Statutes. The overarching policy of the legislature in passing the SWMSA is stated in Conn. Gen. Stat. § 22a-259(1): "That maximum resources recovery from solid waste and maximum recycling and reuse of such resources in order to protect, preserve and enhance the environment of the state shall be considered environmental goals of the state[.]" The legislature also stated an intent "to promote the presegregation of recoverable or recyclable materials before they become mixed and included in the waste stream[.]" Conn. Gen. Stat. § 22a-259(10). Although it may be possible that the promotion of environmental education and awareness is consistent with the general legislative goals of the SWMSA, nothing in the statutes suggests that the legislature intended through the SWMSA to promote education on geography or international issues.

Section § 22a-262(a) of the General Statutes sets forth the specific purposes of the CRRA. Construing these purposes liberally, as required by statute (see Conn. Gen. Stat. § 22a-262(b) and 22a-280), there is no plausible argument that the agency was intended to fund educational projects like that at issue here. Those purposes are: the creation and operation of resource recovery and waste management operations; the provision of resource recovery and waste management services to municipalities; the creation of revenues to fund the CRRA's operations; the utilization of private industry in carrying out the CRRA's functions; assisting and coordinating efforts directed toward recycling;

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<sup>2</sup> The minutes of the November 20, 1997 meeting reveal that several board members were concerned that the CRRA lacked authority to make the grant. The CRRA's then-general counsel, Murtha, Cullina, Richter & Pinney, was present at the meeting and was asked to opine on the CRRA's authority to make the grant. According to the minutes, counsel failed to offer a definitive opinion on this question, suggesting that the propriety of the grant was a matter for the Board of Directors. However, counsel did inform the Board of Directors that the enabling statutes did not specifically authorize the grant. He noted further that CRRA's primary mission was developing, managing, and operating a solid waste management system, and that it was questionable whether the grant furthered that mission. See Minutes at 9-10.

and assisting in the development of industries, technologies and commercial enterprises based upon resource recovery, recycling and treating or processing of solid waste. See Conn. Gen. Stat. § 22a-262(a)(1)-(5).

The CRRA's powers and authority, like its purposes, are granted and limited by statute.<sup>3</sup> Neither the Agreement nor the minutes of the November 20, 1997 Board of Directors meeting indicate which, if any, statutory authority was believed to authorize the grant. Although the CRRA has the general power to "make and enter into any contract or agreement necessary or incidental to the performance of its duties and execution of powers"; Conn. Gen. Stat. § 22a-265(3); this power, while broad, would not appear to authorize the grant in question, as the promotion of education in geography and international issues is neither necessary nor incidental to the performance of the CRRA's duties.

Nor does the grant appear to be authorized under Conn. Gen. Stat. § 22a-265(12), which empowers the CRRA to "do all things necessary to the performance of its duties, the fulfillment of its obligations, the conduct of its operations, the maintenance of its working relationships with municipalities, regions and persons, and the conduct of a comprehensive program for solid waste disposal and resources recovery, and for solid waste management services, in accordance with the provisions of the solid waste management plan, applicable statutes and regulations and the requirements of this chapter [i.e., the SWMSA]." The educational purposes of the grant, while perhaps worthy and worthwhile, do not assist the CRRA in "the performance of its duties" under Section 22a-265(12).

I have also reviewed the legislative history surrounding the creation of the CRRA. There is no suggestion in those materials that the legislature even remotely intended the CRRA to make grants such as this one. I can only conclude that the CRRA's \$500,000 grant to the National Geographic Education Foundation for purposes of creating the Connecticut Geographic Education Fund appears to have been unauthorized and unlawful.<sup>4</sup>

The second part of your question was whether the CRRA has legal recourse to recover unauthorized grant funds. As alluded to above, questions of specific legal strategy are better addressed to private counsel. I do, however, offer the following general observations.

This matter is governed by trust law as the grant clearly meets the definition of a charitable trust, that is, the existence of a fiduciary relationship in which one person holds property subject to an equitable obligation to keep or use the property for charitable

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<sup>3</sup> Section 22a-265 of the General Statutes sets forth the general powers of the CRRA, and Section 22a-266 sets forth its particular powers. In addition, the CRRA's fiscal powers and powers to contract are set forth separately in Conn. Gen. Stat. §§ 22a-267 and 22a-268 respectively.

<sup>4</sup> This letter makes no reference to and draws no conclusions concerning the CRRA's authority to make expenditures for other types of programs that may relate to the environment and its member municipalities.

purposes. See Bogert on Trusts, (6<sup>th</sup> ed. 1987) at § 1, p. 1 and § 54, p. 201. My office has not found a decision by a Connecticut court on the issue of whether an *ultra vires* creation of a charitable trust by a quasi-public entity, such as the grant in question, may be rescinded. Nevertheless, there is significant secondary authority for the position that the grant should be rescinded because the CRRA lacked sufficient legal capacity to create a charitable trust. See, e.g., Scott on Trusts, (4<sup>th</sup> Ed.) Vol. 4, p. 244 (noting that a legal disability, such as lack of capacity, to establish a trust renders the trust void or voidable).

There is also substantial support for the principle that charitable trusts entered pursuant to a mistake of fact or law are subject to rescission. For example, one respected commentator notes that:

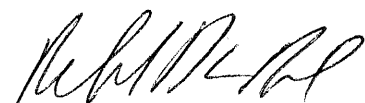
When a settler receives no consideration for the creation of a trust, as is usually the case, a unilateral mistake is ordinarily sufficient ground for rescission, as it is in the case of an outright gift... It is immaterial that the beneficiaries of the trust did not induce the mistake or know of it or share in it... It is [also] immaterial whether the mistake was a mistake of fact or a mistake of law.

Id. at p. 244.<sup>5</sup> This principle could apply here as the Board of Directors, which received no consideration for the grant, labored under a mistaken understanding of the CRRA's power to authorize it.

With these principles in mind, and assuming that the National Geographic Society fails to voluntarily return the grant funds, the CRRA may well be warranted in a legal action seeking a declaration that the grant was unauthorized and return of the grant funds.

I hope this response is helpful. Please do not hesitate to contact me if I can offer any additional information.

Very truly yours,



RICHARD BLUMENTHAL

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<sup>5</sup> I believe the grant is best analyzed as a charitable trust. However, even if considered an outright gift, it would be subject to rescission. As alluded to by Scott, supra, a gift made under a mistake of fact may be rescinded to the extent that the recipient has not altered its position in reliance on the gift. See also, 40 A.L.R. 2d 997. It is also seems unlikely that the grant would be considered a binding contract for a variety of reasons, including that it was entered without legal capacity and was unsupported by consideration.

**AGREEMENT BETWEEN**  
**CONNECTICUT RESOURCES RECOVERY AUTHORITY AND**  
**NATIONAL GEOGRAPHIC SOCIETY EDUCATION FOUNDATION**  
**ESTABLISHING**  
**THE CONNECTICUT GEOGRAPHY EDUCATION FUND**

The Connecticut Resources Recovery Authority (CRRA) and the National Geographic Society Education Foundation (Foundation), a not-for-profit, tax exempt organization established to support the educational goals of the National Geographic Society, hereby agree to establish the Connecticut Geography Education Fund as a restricted permanent endowment fund of the Foundation.

**Name and Purpose**

The Fund will forever be known as The Connecticut Geography Education Fund (the Fund). Its purpose shall be to encourage and support geography and environmental and international education programs in Connecticut.

**Funding and Administration**

The Fund shall be established with a grant to the Foundation of \$500,000 by the CRRA. Such grant will be paid in two equal annual installments during fiscal years 1997/1998 and 1998/1999. The National Geographic Society shall match the CRRA contribution by means of a grant of an equivalent amount to the Foundation from the National Geographic Society Challenge Fund. This total of \$1,000,000 together with such other amounts as may be contributed by other private and public entities, will constitute the initial corpus of the Fund. The Foundation may invest the Fund as part of the Foundation's Consolidated Fund in accordance with Foundation investment policies and procedures. The Fund will remain open for additional gifts to principal in the future.

The income earned by the CRRA contribution and the matching Foundation grant will be used in whole or in part to make grants and to support programs to improve geography and environmental and international education as stipulated herein. To the maximum extent possible such grants and programs shall be conducted by or in concert with the Connecticut Geographic Alliance. The amount of income to be applied for this purpose will be established annually by the

Board of the Foundation. Income not expended for these purposes will be re-invested in the principal of the Fund according to investment policies the Foundation may adopt in order to protect the value of the principal, or will be carried over for expenditure in subsequent years. The number and amount of the grants made or other program expenditures will be determined by the Foundation in light of income available from the Fund and program needs.

Recipients of grants generated by the income from this contribution will be selected by the Foundation according to criteria established by the Foundation. The Foundation agrees to establish and recognize a Connecticut based Advisory Board, half the voting strength of which shall be appointed by CRRA, committed to the cause of improving geography and environmental and international education. From time to time or at least annually, the Advisory Board shall make grant recommendations to the Foundation. Final decisions about expenditures from the Fund shall be the responsibility of the Foundation's Board.

Income at the rate established by the Board of the Foundation shall be made available for expenditure twelve (12) months after receipt of the establishment of the Fund.

### **Criteria for Expenditure**

Income from this contribution to the fund and the Foundation's matching grant will be used to encourage, increase and improve the teaching of geography and environmental and international issues in Connecticut, especially at the elementary and secondary school levels, and to increase and disseminate geographic knowledge of these topics more broadly throughout Connecticut. To accomplish these purposes, the Advisory Board shall solicit and accept proposals from appropriate institutions and organizations within and outside of Connecticut and shall recommend such of them as deemed appropriate to the Foundation Board. It is the intention of the Foundation, acting upon the recommendations of the Advisory Board, to use the income from the contribution and the Foundation's matching grant to support projects that are consistent with the Letter of Understanding to be agreed upon, presented to the CRRA Board of Directors and approved by such Board on January 15, 1998 (such approval shall be a prerequisite for the CRRA's payment of its contribution) and are of the highest caliber and merit. In awarding any such support for projects, the Foundation shall appropriately recognize the contributions of the National Geographic Society and CRRA.

### **Recognition and Reporting**

The Foundation agrees to submit to CRRA annually an audited financial statement of the Foundation by an independent auditor together with a report listing the names of grant recipients and the amount and purpose of awards and other expenditures made from the Fund. The Foundation will include the Fund's assets, income and expenditures in its audited financial statement and its IRS Form 990.

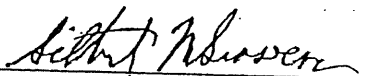
## Return of Grant Funds

The CRRA's grant to the Foundation is restricted for the purposes described herein. In the event the Foundation materially breaches this Agreement by (1) failing to apply the income of the Fund for the specified purposes, or (2) failing to convene the Advisory Board as provided herein, and failing to correct such a breach after 60 days written notice by CRRA, CRRA shall have the right to receive a return of grant funds in an amount equal to the CRRA's original grant amount and any accumulated and unexpended income thereon.

In the event that the IRS Tax Exempt status of the National Geographic Society Education Foundation should change, CRRA shall be informed in a timely fashion. In such an event, and upon receipt of a written request from CRRA, the Fund shall be dissolved and the appropriate pro-rata share of the principal and accumulated income shall be returned to CRRA.

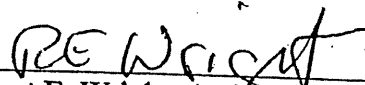
Approved:

For the Foundation:



Gilbert M. Grosvenor, Chairman

For CRRA:



Robert E. Wright, Acting President

Date: \_\_\_\_\_

Date: 3/16/98

**CONNECTICUT RESOURCES RECOVERY AUTHORITY**

**TWO HUNDRED EIGHTY-SIXTH MEETING**

**NOVEMBER 20, 1997**

The regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, November 20, 1997 at the Regional Recycling Center, 211 Murphy Road, Hartford. Those present were:

Chairman Peter N. Ellef  
Vice Chairman Edward St. John

Directors: Richard O. Belden  
Amalia Bzdyra (delegate for Director Kozlowski)  
John Chapin  
Kathleen Collins  
Gary Flynn  
David Gilbert (delegate for Director J. Sullivan)  
Ronald Smith (delegate for Director Nicaastro)  
Bernard Sullivan  
Louis G. Timolat  
Peter Webster (Mid-Connecticut ad hoc member)  
Alphonse Marotta (Mid-Connecticut ad hoc member)  
John Neary (Bridgeport ad hoc member)  
Milton Suzich (Southeast ad hoc member)  
Thomas Rylander (Southeast ad hoc member)  
Anthony Rescigno (Wallingford ad hoc member)

Directors Kozlowski, Nicaastro, Schilberg, J. Sullivan, Tansi and ad hoc members Nolin and Rubenstein did not attend.

Present from the CRRA staff:

Robert E. Wright, Acting President  
Thomas P. Gaffey, Director of Communications  
Dennis J. Martin, Director of Project Development  
Carl R. Nasto, Senior Counsel  
John Romano, Acting Mid-Connecticut Project Manager  
Phyllis Marshall, Southeast Project Manager  
David Chrzanowski, Wallingford Project Manager  
David Baxter, Director of Finance  
Michael Tracey, Director of Engineering  
Brenda M. Pliszka, Secretary to the President

Mark Korber of Murtha, Cullina, Richter & Pinney, CRRA's General Counsel, was present.



Others in attendance were: David Brown of Project Management Associates; Lanny Proffer of NGS; Judith Meyer of UCONN; Billie Kapp of CGA; Jane Stahl and Lois Hager of DEP; David Carpenter of CL&P; John Maulucci of BRRFOC; Christopher Sandford of PACAM; and Peter Hammond of AAR.

Chairman Ellef called the meeting to order at 9:02 a.m. and noted a quorum was present.

#### **APPROVAL OF THE OCTOBER 16, 1997 MINUTES**

Chairman Ellef requested a motion to approve the October 16, 1997 minutes.

Director B. Sullivan moved approval of the minutes of October 16, 1997 without having them read. Director Belden seconded the motion which was approved unanimously.

Mr. Wright requested approval of a Board member designation. He stated the designation certificate was from James Abromaitis for Peter N. Ellef as his delegate.

Director B. Sullivan moved approval of the designation of Peter N. Ellef for James Abromaitis. Director Timolat seconded the motion which was approved unanimously.

#### **PROJECT REPORTS**

##### **Wallingford Project**

##### **Solid Waste Disposal Agreement with American Disposal Services, Inc.**

Mr. Wright noted that during the prior several months CRRA had changed the Wallingford system. He stated that the project had entered into a series of direct contracts with haulers because of the loss of flow control. He requested approval of an additional such contract.

Director Belden moved approval of the following resolution and Director Rescigno seconded the motion which was unanimously approved.

RESOLVED: That the Acting President is authorized to execute a Solid Waste Delivery Agreement with American Disposal Services, Inc. for delivery of member waste to the Wallingford Project, substantially as presented at this meeting.

##### **Second Amendment to the Wallingford Project Bulky Waste Transfer Station Services Agreement**

Director Belden moved approval of the following resolution and Director Bzdyra seconded that motion which was unanimously approved.

**Second Amendment to the Wallingford Project Bulky Waste Transfer Station Services Agreement (Continued)**

RESOLVED: That the Acting President is authorized to execute the Second Amendment to the Bulky Waste Transfer Station Services Agreement, substantially as presented at this meeting.

**Tobacco Valley Sanitation**

Mr. Wright stated that CRRA had an agreement with Tobacco Valley Sanitation to deliver waste to the Wallingford Project. He said that this hauler also claimed that Mr. Guidone had also given it oral assurances that it could deliver a guaranteed amount of spot waste. Mr. Wright stated that staff had contacted Mr. Guidone and that he affirmed that arrangement. Mr. Wright said that because the arrangement was in excess of \$50,000 it required Board approval. He also said that this particular hauler already had been caught trying to sneak member waste in as spot waste four times. As a result, he stated, as of the date of the Board meeting, staff had locked out their spot waste deliveries to the Wallingford Project.

Director Belden stated that at the time the arrangement was made it was a good deal in terms of the rates to be paid and asked whether circumstances had changed since then. Mr. Wright said typically CRRA would take spot when needed and make calls to get it. He stated that CRRA accepts spot waste at a rate of approximately \$50 per ton. He said the distinguishing feature of this arrangement was CRRA's commitment to take a fixed amount of waste. He also stated that it was important to assure haulers that they can enter into negotiations with our officers in good faith.

Director Rescigno made a motion to authorize the Acting President to enter into spot waste arrangements with Tobacco Valley Sanitation on the terms and conditions substantially as presented at this meeting for a one year period starting with the fiscal year July 1, 1997. Director Belden seconded the motion.

Director Gilbert asked whose initials were on the memorandum included in the Board materials. Mr. Wright said they were Mr. Guidone's initials. Director Gilbert said Mr. Guidone was no longer an employee. Mr. Wright said that he was an employee at the time when the oral representation was made but that CRRA did not have a record of it so staff asked Mr. Guidone to affirm the representation after he left CRRA's employ.

Director Smith asked whether this was the only such arrangement. Mr. Martin said the Tobacco Valley was the only arrangement of which he had specific knowledge, but that he was continuing to examine the issue.

The motion previously made and seconded was unanimously approved.

Director Chapin said CRRA should set an internal policy advising all employees that oral arrangements no matter how well constructed are not permitted. Mr. Wright said that had already

**PROJECT REPORTS (Continued)**

**Wallingford Project (Continued)**

**Tobacco Valley Sanitation (Continued)**

been communicated to staff, but would be formalized in writing. Director Chapin felt strongly that there should be an official policy. Mr. Wright stated moreover that CRRA statutes require Board approval of contracts in excess of \$50,000.

Director Belden stated that at the time that the verbal agreement was made spot waste was in fact being accepted into this project at \$50 per ton. Mr. Wright agreed.

**Southeast Project**

Mr. Wright called on Mr. Baxter to summarize project budget discussions. Mr. Baxter stated that the FY '99 budget for Southeast had been included in the Board package during the prior month and noted that action on the budget would take place at the December meeting. He said the budgeted fee would be \$75.50, down from \$79 per ton.

Director Suzich stated that the Southeast project fees had been \$98 during the first year of operation and that the reduction to \$75.50 projected for next year was a significant accomplishment. Director Suzich explained that if the Southeast Project still had the Mashantucket waste the budgeted fee could have been \$72. Chairman Ellef asked whether he could be of any assistance with the Mashantuckets.

Director Suzich stated that the SCRRA had been working actively with the Mashantuckets, but had not made much progress. Director Rylander expressed concern about the issue.

**Bridgeport Project**

**Residue Disposal Services Agreement with Wheelabrator Putnam, Inc.**

Mr. Wright said that the referenced agreement had been discussed with the Board on several occasions. He said the agreement provided for transportation and disposal of the ash at a price significantly better than other prices obtained. He said the unique feature of the agreement was that this landfill had not yet been built. He said there was a risk that the landfill might never get built. However, he said, if Wheelabrator did not get their permits and chose not to go forward, they would still be required to provide 10 months of guaranteed disposal at very low rates while CRRA sought an alternative disposal arrangement. He said that the disposal cost during the first year under this agreement would be \$42.90, slightly in excess of \$3 better than the next bid.

Ms. Lois Hager from DEP asked that the minutes reflect that Assistant Commissioner Stahl was not present for this discussion.

**PROJECT REPORTS (Continued)**

**Bridgeport Project (Continued)**

**Residue Disposal Services Agreement with Wheelabrator Putnam, Inc. (Continued)**

Director Belden asked whether the \$42.90 bid had been received some time ago. Mr. Wright explained that the \$42.90 price was an improvement over the original bid. Mr. Wright stated that the bids were submitted nearly one year earlier. Director Belden asked whether CRRA was still working off the original procurement. Mr. Wright said it was. Director Belden said that a lower price had been negotiated from the original company bid. Mr. Wright agreed and said he would be remiss if he did not note that the towns involved in the Bridgeport Project were very much involved in the negotiation of the contract and had done a fine job in securing the additional reduction.

Director Belden said Schedule 1 refers to the Wallingford project and a disposal fee of not more than \$34. He asked whether that fee would purchase the same services as Bridgeport's \$42.90 fee. Mr. Wright stated that it would not. The difference, he said, was that the Wallingford fee did not include transportation. In fact, he said, the contract provided that no entity using the Putnam disposal site could receive a lower rate than the Bridgeport towns. However, he noted, that the contract nevertheless provided very favorable rates for both the Wallingford and Southeast projects.

Director Belden stated that if the landfill did not go forward there was a very good section in the agreement which dealt with termination and gave CRRA 12 months to find some other resource for the ash.

Director Belden moved approval of the following resolution and Director Rylander seconded that motion.

RESOLVED: That the Acting President is authorized to execute an Agreement with Wheelabrator Putnam, Inc. for residue disposal services for Bridgeport Project ash, substantially as presented at this meeting.

Director Marotta asked whether the \$42.90 per ton was equivalent to the current cost being paid to Hartford for disposal of the Bridgeport ash. Mr. Wright informed Director Marotta that he would get him that figure.

Director Belden said since the resolution only refers to Bridgeport he assumed that any ash disposal from any other facility would require further action by the Board. Mr. Wright agreed.

Director Smith asked how long the contract would last. Mr. Wright said it would run through the remainder of the project life, slightly in excess of 11 years.

**PROJECT REPORTS (Continued)**

**Bridgeport Project (Continued)**

**Residue Disposal Services Agreement with Wheelabrator Putnam, Inc. (Continued)**

Director Smith said the schedule quoted a fee of \$42.90 for 7 months and \$44.95 for the next five months of the year and asked which fee would be charged. Mr. Wright said the change in fees referred to would occur only if Wheelabrator elected not to build the landfill. On the other hand, he said, if Wheelabrator elected to go forward, \$43 would be the fee. Director Smith asked if that would escalate. Mr. Wright said that it would.

Director Suzich said that Schedule 5 described residue characteristics and indicated that the ash delivered would be conditioned with WesPhix a process Wheelabrator used in their Bridgeport plant. Mr. Wright agreed. Director Suzich wondered whether the Southeast Project or the Wallingford Project would face a similar requirement. Mr. Wright said the schedule referred only to the Bridgeport facility residue. However, he said, in order to make as much money as they can, Wheelabrator would have an incentive to bring in ash from the other projects and that they had informed us they wanted to. He said that CRRA had not been able to negotiate the characteristics of the ash for the other projects in time to complete the contract and that he believed that such a negotiation could have compromised the Southeast project's negotiations with its vendor over ash quality. He said that CRRA expected that it soon would seek to obtain a better understanding of what sort of standards would be required of those projects.

Director Belden asked on page 12, §2.1.5, who was the contractor and who was the operator. Mr. Wright said that the operator was Bridgeport RESCO and the contractor was Wheelabrator Putnam. Director Belden stated that CRRA had a responsibility to take the metal out of the ash in order to reduce the volume of tonnage that would go into the landfill. Mr. Wright said that CRRA did not have that obligation. Mr. Wright said the obligation to remove the metals was on Bridgeport RESCO and they were required to remove at least 19,000 tons or pay as if they had. Director Belden asked whether their contract required them to operate with the obligation to remove the metals. Mr. Wright said that the landfill company had the obligation of forcing Bridgeport RESCO to take out the metals or the landfill company would owe damages for 20,000 tons.

Director Belden stated that "contractor" was not defined in the agreement. Director Rylander said that on the first page it stated that Wheelabrator Putnam, Inc. from New Hampshire was the contractor.

Director Smith said on page 31 paragraph 9 the contract term was tied to expiration of the SWDA and that was not sure that SWDA was defined. Mr. Wright said the definition of that term was on page 6.

The motion previously made and seconded was unanimously approved.

**PROJECT REPORTS (Continued)**

**Bridgeport Project (Continued)**

**Residue Disposal Services Agreement with Wheelabrator Putnam, Inc. (Continued)**

Mr. Wright said that CRRA continues to talk both to the project towns and Wheelabrator about revising contractual arrangements, improving the budget for the upcoming year and refinancing. He said that CRRA has advised the towns that otherwise their tip fee next year would be \$95 a ton. He said that staff would keep the Board apprised of the status of those negotiations. Chairman Ellef said the failure to refinance would hurt the project more next year than it did this year. He said the reason the project was successful during the current year was because of actions taken by staff to find a cost-efficient means of disposing of ash from the Bridgeport Project at Hartford. He said that staff needs help to move Bridgeport to action on certain issues and asked Bridgeport Board members to assist Mr. Wright to manage Bridgeport to a resolution that would be to everyone's benefit. Mr. Wright said that staff would prepare a series of recommendations for the project. Director Belden said that this was not a new issue. Mr. Wright agreed.

**Mid-Connecticut Project**

**Extended Interim Municipal Solid Waste Services with the Town of Bloomfield and the Town of Canaan**

Director Timolat moved approval of the following resolution and Director Collins seconded the motion which was unanimously approved.

RESOLVED: That the Acting President is authorized to extend, on the same terms and conditions previously approved by the Board, the current interim arrangements with the Town of Bloomfield and the Town of Canaan for delivery of municipal solid waste until January 31, 1998 to allow time for execution of long term Municipal Solid Waste Agreements.

**Approval of Sweeper Purchases for Mid-Connecticut Project**

Director Belden moved approval of the following resolution and Director Sullivan seconded the motion which was unanimously approved.

RESOLVED: That the Acting President be authorized to purchase three (3) transfer station sweepers for the Mid-Connecticut Project from Tennant Company, substantially as presented as this meeting.

Director Belden moved approval of the following resolution and Director Collins seconded the motion which was unanimously approved.

**PROJECT REPORTS (Continued)**

**Mid-Connecticut Project (Continued)**

**Approval of Sweeper Purchases for Mid-Connecticut Project (Continued)**

RESOLVED: That the Acting President be authorized to purchase one (1) WPF sweeper for the Mid-Connecticut Project from Tennant Company, substantially as presented at this meeting.

Mr. Wright informed the Board that bulky waste space in the Hartford Landfill was being rapidly depleted. He said that he had met with the City Manager of Hartford and described the bulky waste situation to her. He said the City may wish CRRA to apply for an expansion of the landfill. Mr. Wright said such an expansion would probably be controversial. Nevertheless, he said, one of the ways CRRA expected to manage the bulky waste concern by purchasing a chipper to chop the larger items at the WPF so those items do not take up additional space at the landfill.

Director Marotta asked how much space remained. Mr. Martin said if the chipper could be installed within the immediate future, within three or four months, with cooperation from DEP for a temporary permit, CRRA could double the life span of the landfill to four years.

Mr. Martin said that CRRA's estimated that approximately 80% of the material going into the landfill was neither bulky waste nor non-processible waste and could be returned to the WPF to be combusted. Director Marotta briefly described the City Manager's plan regarding bulky waste. Mr. Wright said CRRA had sent Mr. Tracey to meet with City staff and expected to make recommendations on how the City could segregate various materials for possible disposal at Mid-Connecticut.

Chairman Ellef asked Mr. Wright before April 1 to have staff prepare for the Board a summary of what options the Authority will have when the current bulky waste disposal area closes.

**OLD BUSINESS**

**Maintenance Audit**

Mr. Wright said that the Maintenance Audit had been included in the Board package in October but the Board did not have an opportunity to discuss it. He said CRRA had never before undertaken an audit of the maintenance status of each plant.

Mr. Martin described four recommendations. First, he said, while all plants are being properly maintained, Johnson & Higgins recommended, a more advanced state-of-the-art maintenance procedure which is predicative rather than time-based. He said instead of checking equipment once a year, CRRA should predict when a piece of equipment should be looked at and follow up on that recommendation with the vendors. Second, Johnson & Higgins noted that the

**OLD BUSINESS (Continued)**  
**Maintenance Audit (Continued)**

turbines at the Mid-Connecticut Project are old turbines, approximately 55 years old. He said when turbines reach 60 years, they start to slow down. He noted that while the turbines were completely revamped in 1985 and 1986, CRRA should pay much more attention to the test results every year. Third, he said, the Southeast Project was operated at or above design levels all the times and even though American Ref-Fuel had an excellent maintenance procedure, the situation bears close monitoring. Fourth, he said, Johnson & Higgins recommended that CRRA staff perform their own maintenance audit annually.

**Connecticut Geography Alliance**

Chairman Ellef asked, in order to expedite consideration of this issue, that each Board member speak only once on the issue.

Vice Chairman St. John had no comment on the issue.

Director Chapin stated that he would vote in favor of the expenditure despite his economically conservative nature. He stated that with the exception of the Visitors Center, CRRA has little or no public image other than as an organization that in some cases may harm a community. He stated that he believed that an affiliation with the National Geographic Society would provide substantial benefits to the organization.

Director Flynn stated several concerns regarding the issue. First, he stated, he was unsure whether the Authority's enabling legislation permitted such an expenditure. Second, he noted, that the grant was very substantial and would leave a balance of only \$22,000 in the recycling trust fund. Finally, he stated, that CRRA's public relations would be best served by managing the needs of the member towns as efficiently and cost-effectively as possible.

Chairman Ellef requested Mr. Korber to address whether CRRA's enabling legislation permitted the expenditure. Mr. Korber stated that Chairman Ellef and Mr. Wright had asked him to examine the question raised by Director Flynn. Mr. Korber said that nothing in the statute explicitly authorizes the Authority to make such grants. Therefore, he said, he was unable to give a firm opinion whether or not the expenditure could be made. He said the Authority statute authorizes it to develop, manage and operate a solid waste management system as it had for the prior 20 years. He stated that the Authority's enabling legislation would be broadly interpreted to authorize the Authority to complete the system and operate it. He said the Board should consider whether marketing and public relations was an necessary part of that mission. He noted that the recycling trust fund contains language supporting recycling education. He further commented that the Authority's construction of the Visitors Center is was not explicitly authorized by the Authority's mandate either. Moreover, he directed the Board's attention to a recently approved grant providing transportation services for Bridgeport area students to the Stratford recycling



**OLD BUSINESS (Continued)**  
**Connecticut Geography Alliance (Continued)**

center. He concluded that in making these decisions the Board needed to exercise the sort of judgment the issue at hand required. He said that if the Board finds that image building, marketing and educational activities are appropriate for the Board in accomplishing its mission, then it had the power to do so. He said ultimately it was a question for the Board to decide. He noted two important concerns: 1) the proposed agreement provided an advisory committee that would make annual recommendations as to grant fund expenditures and that half of the voting strength of this advisory committee would rest with the Authority, and as a result the Authority would have substantial power to assure that the educational activities relate to Authority purposes; and 2) the opportunity to display the Authority name along side the National Geographic Society was clearly of importance and should be considered.

Director Marotta supported the expenditure and stated that increased participation and educational forums would lead to a public better educated on environmental issues. He said that the expenditure would provide useful publicity for the Authority throughout the state and a public better educated on issues CRRA faces.

Director Collins said she shared Director Flynn's concerns respecting the Authority's power to make the expenditure. She said that she did not believe that there was a substantial connection between the National Geographic Society and the solid waste system CRRA was charged with implementing. She stated that while she was an educator and sympathetic to educational issues, she did not believe that the expenditure was within the Board's statutory authorization.

Director Smith agreed with Director Flynn's concern regarding the status of the recycling trust fund after the proposed expenditure and sought a commitment from the Board to replenish the recycling trust fund to take advantage of future opportunities.

Director Timolat stated that he shared Director Flynn's concerns. He stated that it was difficult to make a connection between the National Geographic Society's mission and CRRA's. He stated, however, that ultimately CRRA's operations will be benefitted by a more knowledgeable public. He stated that a better educated state would more easily understand and accept CRRA's mission and the decisions it makes.

Director Belden commented on another agenda item. He asked about the recycling drawdown listed on Exhibit A in the amount of \$90,000 and asked whether that was the same item as an \$88,000 drawdown for the Southeast Project which appeared later on the agenda. Mr. Baxter confirmed that it was. Director Belden noted that with that drawdown the Board would have satisfied the total \$200,000 commitment made to the Southeast Project and would still have a \$400,000 balance left in the fund. He stated that the two funds together had sufficient funds to support the expenditure. He recalled an issue at the prior meeting concerning whether and from

**OLD BUSINESS (Continued)**  
**Connecticut Geography Alliance (Continued)**

where the necessary funds would be allocated and stated that he intended to vote in favor of the resolution.

Director B. Sullivan stated that he was very much in favor of the proposal that CRRA should involve itself in more good public works and hoped that additional such projects would be brought before the Board in the future.

Director Gilbert stated that he supported the proposal and thought it represented a good use of the trust fund dollars.

Director Webster expressed his strong support for the proposal and endorsed Director Chapin's comments regarding the need to elevate public awareness of the Authority and its mission. He stated that he had reviewed the proposal with a number of educators in his area and related their enthusiasm. He stated that most people in the state have little or no idea of what the Authority does and that aligning the Authority with the National Geographic Society would aid the public's understanding of the Authority and assist it in accomplishing its mission.

Director Suzich stated that he would vote against the proposal because he believed it to be an inappropriate use of CRRA's money.

Director Neary stated that he vote against the proposal unless the amount of the expenditure was reduced significantly. He stated that he had reviewed the matter with the SWAB Board during the prior week and they did not approve of the expenditure. He asked whether the Authority's grant would in fact be matched by a grant from the National Geographic Society. Chairman Ellef said that the National Geographic Society would provide \$500,000 to match the \$500,000 provided by the Authority.

Director Resigno declined to comment.

Director Rylander asked whether anyone had reviewed the content of the curriculum and whether the curriculum supported CRRA's goals. Chairman Ellef responded that the National Geographic Society had reviewed the sorts of programs it had supported in the past and that he found a correlation between those programs and the CRRA's mission. He noted, moreover, that the Memorandum of Agreement provides to CRRA significant power in steering the sorts of programs that will be supported in the future. Director Rylander commented that in Southeastern Connecticut CRRA's reputation had not been very good in the past. He noted that such a large expenditure was difficult when some towns are paying such high disposal costs but that he nevertheless supported CRRA's good intentions.

**OLD BUSINESS (Continued)**  
**Connecticut Geography Alliance (Continued)**

Director Bzdyra supported the expenditure and stated her belief that quasi-public entities such as CRRA have the ability to support public education projects related to their field of endeavor. She stated that she believed the legislation was flexible enough to permit the expenditure.

Director Bzdyra moved approval of the following resolution and Director Belden seconded that motion.

**RESOLVED:** That the Connecticut Resources Recovery Authority grant to the National Geographic Society \$500,000, over a period of two years, for the establishment of The Connecticut Geography Education Fund, subject to and in accordance with such terms and conditions substantially similar to those presented at this meeting.

**FURTHER RESOLVED:** That the funds for this grant be withdrawn from the Authority's Development and Recycling Funds, substantially as presented at this meeting.

Director Belden proposed to amend the Further Resolved clause to specifically indicate that \$400,000 would come from the Recycling Trust Fund and \$100,000 would come from the Development Fund to be disbursed 50% during fiscal year '98 and 50% during fiscal year '99. Director Bzdyra agreed to the amendment.

Director Smith asked that the final Letter of Understanding be presented to the Board and that it address the curriculum concerns raised at the meeting.

The motion passed with 4 members opposed (Collins, Flynn, Neary and Suzich).

**NEW BUSINESS**  
**Grant Request by the Southeastern Regional Resources Recovery Authority**

Director B. Sullivan moved approval of the following resolution and Vice Chairman St. John seconded the motion.

**RESOLVED:** That the Acting President is authorized to grant the final \$88,000 of a \$200,000 allocation from the CRRA Recycling Trust Fund to the Southeast Project for use in developing a recycling facility, substantially as presented at this meeting.

Director Suzich commented that the Southeast Authority would not request the funds until they issued a notice to proceed with the construction of their new facility and that such a notice should issue within the following several weeks.

**NEW BUSINESS**

**Grant Request by the Southeastern Regional Resources Recovery Authority**

The motion previously made and seconded was unanimously approved.

**Filling of Two Staff Positions**

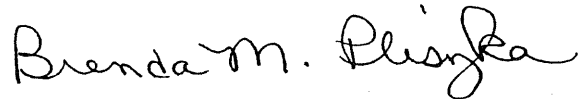
Mr. Wright stated that CRRRA's Manager of Information Systems had resigned and sought approval to fill that position. He also requested the authority to fill a vacant landfill attendant position.

Director Belden asked whether staff had already conducted interviews for these positions. Mr. Wright stated that the Authority had not yet advertised for those positions.

Vice Chairman St. John moved to authorize the Acting President to fill those two positions. Director B. Sullivan seconded the motion and it was unanimously approved.

There being no further business to discuss in regular session, Director Bzdyra moved that the meeting adjourn. Director Belden seconded the motion which was unanimously approved at 10:18 a.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Brenda M. Pliszka".

Brenda M. Pliszka  
Secretary

**Letter of Understanding**  
**Connecticut Resources Recovery Authority and**  
**National Geographic Society Education Foundation**

The purpose of this letter of understanding is to create an Advisory Board for the Connecticut Geography Education Fund, as required by the Letter of Agreement, dated March 16, 1998, between the Connecticut Resources Recovery Authority and the National Geographic Society Education Foundation.

An Advisory Board of the Connecticut Geography Education Fund shall be comprised of up to six institutional representatives: up to three named by the Board of CRRA and exercising three votes, two named by the Connecticut Geographic Alliance and exercising 2 votes, and one named by the Yale Center for International and Area Studies and exercising 1 vote. In addition, the National Geographic Society Geography Education Program may be represented by a non-voting representative. Those members shall serve two year rotating terms, with the possibility of reappointment. The Advisory Board will be chaired by the coordinator of the Connecticut Geographic Alliance.

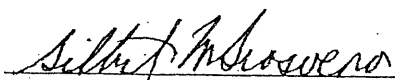
This Advisory Board shall establish a procedure for soliciting proposals for programs that will enhance geography, environmental and international understanding among the K-12 students of Connecticut. The call for proposals shall include but extend beyond the three organizations represented on the Advisory Board, reaching into the community of science and social studies educators and other relevant educators.

The Board will annually appoint a panel of classroom teachers and other educators to review and rate proposals which are submitted in response to the Board's annual request for proposals. That panel of educators will always include representatives from the Connecticut Department of Education familiar with trends in social studies and science education in the state. The Advisory Board will establish the criteria to be used for evaluation of the proposals.

Pursuant to the Letter of Agreement, the Advisory Board shall make grant recommendations to the National Geographic Society Education Foundation. Final decisions about expenditures from the Fund shall be the responsibility of the Foundation's Board.

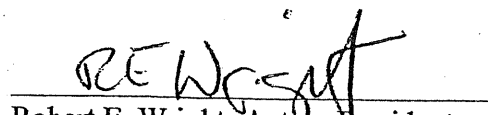
**Approved:**

For the Foundation:

  
Gilbert Grosvenor, Chairman

Date: \_\_\_\_\_

For CRRA:

  
Robert E. Wright, Acting President  
[subject to approval of CRRA Board of Directors]

Date: 3/16/98

**CONNECTICUT RESOURCES RECOVERY AUTHORITY**

**TWO HUNDRED EIGHTY-SIXTH MEETING**

**NOVEMBER 20, 1997**

The regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, November 20, 1997 at the Regional Recycling Center, 211 Murphy Road, Hartford. Those present were:

Chairman Peter N. Ellef  
Vice Chairman Edward St. John

Directors: Richard O. Belden  
Amalia Bzdyra (delegate for Director Kozlowski)  
John Chapin  
Kathleen Collins  
Gary Flynn  
David Gilbert (delegate for Director J. Sullivan)  
Ronald Smith (delegate for Director Nicastro)  
Bernard Sullivan  
Louis G. Timolat  
Peter Webster (Mid-Connecticut ad hoc member)  
Alphonse Marotta (Mid-Connecticut ad hoc member)  
John Neary (Bridgeport ad hoc member)  
Milton Suzich (Southeast ad hoc member)  
Thomas Rylander (Southeast ad hoc member)  
Anthony Rescigno (Wallingford ad hoc member)

Directors Kozlowski, Nicastro, Schilberg, J. Sullivan, Tansi and ad hoc members Nolin and Rubenstein did not attend.

Present from the CRRA staff:

Robert E. Wright, Acting President  
Thomas P. Gaffey, Director of Communications  
Dennis J. Martin, Director of Project Development  
Carl R. Nasto, Senior Counsel  
John Romano, Acting Mid-Connecticut Project Manager  
Phyllis Marshall, Southeast Project Manager  
David Chrzanowski, Wallingford Project Manager  
David Baxter, Director of Finance  
Michael Tracey, Director of Engineering  
Brenda M. Pliszka, Secretary to the President

Mark Korber of Murtha, Cullina, Richter & Pinney, CRRA's General Counsel, was present.

Others in attendance were: David Brown of Project Management Associates; Lanny Proffer of NGS; Judith Meyer of UCONN; Billie Kapp of CGA; Jane Stahl and Lois Hager of DEP; David Carpenter of CL&P; John Maulucci of BRRFOC; Christopher Sandford of PACAM; and Peter Hammond of AAR.

Chairman Ellef called the meeting to order at 9:02 a.m. and noted a quorum was present.

#### **APPROVAL OF THE OCTOBER 16, 1997 MINUTES**

Chairman Ellef requested a motion to approve the October 16, 1997 minutes.

Director B. Sullivan moved approval of the minutes of October 16, 1997 without having them read. Director Belden seconded the motion which was approved unanimously.

Mr. Wright requested approval of a Board member designation. He stated the designation certificate was from James Abromaitis for Peter N. Ellef as his delegate.

Director B. Sullivan moved approval of the designation of Peter N. Ellef for James Abromaitis. Director Timolat seconded the motion which was approved unanimously.

#### **PROJECT REPORTS**

##### **Wallingford Project**

##### **Solid Waste Disposal Agreement with American Disposal Services, Inc.**

Mr. Wright noted that during the prior several months CRRA had changed the Wallingford system. He stated that the project had entered into a series of direct contracts with haulers because of the loss of flow control. He requested approval of an additional such contract.

Director Belden moved approval of the following resolution and Director Rescigno seconded the motion which was unanimously approved.

RESOLVED: That the Acting President is authorized to execute a Solid Waste Delivery Agreement with American Disposal Services, Inc. for delivery of member waste to the Wallingford Project, substantially as presented at this meeting.

##### **Second Amendment to the Wallingford Project Bulky Waste Transfer Station Services Agreement**

Director Belden moved approval of the following resolution and Director Bzdyra seconded that motion which was unanimously approved.

**Second Amendment to the Wallingford Project Bulky Waste Transfer Station Services Agreement (Continued)**

RESOLVED: That the Acting President is authorized to execute the Second Amendment to the Bulky Waste Transfer Station Services Agreement, substantially as presented at this meeting.

**Tobacco Valley Sanitation**

Mr. Wright stated that CRRA had an agreement with Tobacco Valley Sanitation to deliver waste to the Wallingford Project. He said that this hauler also claimed that Mr. Guidone had also given it oral assurances that it could deliver a guaranteed amount of spot waste. Mr. Wright stated that staff had contacted Mr. Guidone and that he affirmed that arrangement. Mr. Wright said that because the arrangement was in excess of \$50,000 it required Board approval. He also said that this particular hauler already had been caught trying to sneak member waste in as spot waste four times. As a result, he stated, as of the date of the Board meeting, staff had locked out their spot waste deliveries to the Wallingford Project.

Director Belden stated that at the time the arrangement was made it was a good deal in terms of the rates to be paid and asked whether circumstances had changed since then. Mr. Wright said typically CRRA would take spot when needed and make calls to get it. He stated that CRRA accepts spot waste at a rate of approximately \$50 per ton. He said the distinguishing feature of this arrangement was CRRA's commitment to take a fixed amount of waste. He also stated that it was important to assure haulers that they can enter into negotiations with our officers in good faith.

Director Rescigno made a motion to authorize the Acting President to enter into spot waste arrangements with Tobacco Valley Sanitation on the terms and conditions substantially as presented at this meeting for a one year period starting with the fiscal year July 1, 1997. Director Belden seconded the motion.

Director Gilbert asked whose initials were on the memorandum included in the Board materials. Mr. Wright said they were Mr. Guidone's initials. Director Gilbert said Mr. Guidone was no longer an employee. Mr. Wright said that he was an employee at the time when the oral representation was made but that CRRA did not have a record of it so staff asked Mr. Guidone to affirm the representation after he left CRRA's employ.

Director Smith asked whether this was the only such arrangement. Mr. Martin said the Tobacco Valley was the only arrangement of which he had specific knowledge, but that he was continuing to examine the issue.

The motion previously made and seconded was unanimously approved.

Director Chapin said CRRA should set an internal policy advising all employees that oral arrangements no matter how well constructed are not permitted. Mr. Wright said that had already



**PROJECT REPORTS (Continued)**  
**Wallingford Project (Continued)**  
**Tobacco Valley Sanitation (Continued)**

been communicated to staff, but would be formalized in writing. Director Chapin felt strongly that there should be an official policy. Mr. Wright stated moreover that CRRRA statutes require Board approval of contracts in excess of \$50,000.

Director Belden stated that at the time that the verbal agreement was made spot waste was in fact being accepted into this project at \$50 per ton. Mr. Wright agreed.

**Southeast Project**

Mr. Wright called on Mr. Baxter to summarize project budget discussions. Mr. Baxter stated that the FY '99 budget for Southeast had been included in the Board package during the prior month and noted that action on the budget would take place at the December meeting. He said the budgeted fee would be \$75.50, down from \$79 per ton.

Director Suzich stated that the Southeast project fees had been \$98 during the first year of operation and that the reduction to \$75.50 projected for next year was a significant accomplishment. Director Suzich explained that if the Southeast Project still had the Mashantucket waste the budgeted fee could have been \$72. Chairman Ellef asked whether he could be of any assistance with the Mashantuckets.

Director Suzich stated that the SCRRRA had been working actively with the Mashantuckets, but had not made much progress. Director Rylander expressed concern about the issue.

**Bridgeport Project**  
**Residue Disposal Services Agreement with Wheelabrator Putnam, Inc.**

Mr. Wright said that the referenced agreement had been discussed with the Board on several occasions. He said the agreement provided for transportation and disposal of the ash at a price significantly better than other prices obtained. He said the unique feature of the agreement was that this landfill had not yet been built. He said there was a risk that the landfill might never get built. However, he said, if Wheelabrator did not get their permits and chose not to go forward, they would still be required to provide 10 months of guaranteed disposal at very low rates while CRRRA sought an alternative disposal arrangement. He said that the disposal cost during the first year under this agreement would be \$42.90, slightly in excess of \$3 better than the next bid.

Ms. Lois Hager from DEP asked that the minutes reflect that Assistant Commissioner Stahl was not present for this discussion.

**PROJECT REPORTS (Continued)**

**Bridgeport Project (Continued)**

**Residue Disposal Services Agreement with Wheelabrator Putnam, Inc. (Continued)**

Director Belden asked whether the \$42.90 bid had been received some time ago. Mr. Wright explained that the \$42.90 price was an improvement over the original bid. Mr. Wright stated that the bids were submitted nearly one year earlier. Director Belden asked whether CRRA was still working off the original procurement. Mr. Wright said it was. Director Belden said that a lower price had been negotiated from the original company bid. Mr. Wright agreed and said he would be remiss if he did not note that the towns involved in the Bridgeport Project were very much involved in the negotiation of the contract and had done a fine job in securing the additional reduction.

Director Belden said Schedule 1 refers to the Wallingford project and a disposal fee of not more than \$34. He asked whether that fee would purchase the same services as Bridgeport's \$42.90 fee. Mr. Wright stated that it would not. The difference, he said, was that the Wallingford fee did not include transportation. In fact, he said, the contract provided that no entity using the Putnam disposal site could receive a lower rate than the Bridgeport towns. However, he noted, that the contract nevertheless provided very favorable rates for both the Wallingford and Southeast projects.

Director Belden stated that if the landfill did not go forward there was a very good section in the agreement which dealt with termination and gave CRRA 12 months to find some other resource for the ash.

Director Belden moved approval of the following resolution and Director Rylander seconded that motion.

RESOLVED: That the Acting President is authorized to execute an Agreement with Wheelabrator Putnam, Inc. for residue disposal services for Bridgeport Project ash, substantially as presented at this meeting.

Director Marotta asked whether the \$42.90 per ton was equivalent to the current cost being paid to Hartford for disposal of the Bridgeport ash. Mr. Wright informed Director Marotta that he would get him that figure.

Director Belden said since the resolution only refers to Bridgeport he assumed that any ash disposal from any other facility would require further action by the Board. Mr. Wright agreed.

Director Smith asked how long the contract would last. Mr. Wright said it would run through the remainder of the project life, slightly in excess of 11 years.

**PROJECT REPORTS (Continued)**

**Bridgeport Project (Continued)**

**Residue Disposal Services Agreement with Wheelabrator Putnam, Inc. (Continued)**

Director Smith said the schedule quoted a fee of \$42.90 for 7 months and \$44.95 for the next five months of the year and asked which fee would be charged. Mr. Wright said the change in fees referred to would occur only if Wheelabrator elected not to build the landfill. On the other hand, he said, if Wheelabrator elected to go forward, \$43 would be the fee. Director Smith asked if that would escalate. Mr. Wright said that it would.

Director Suzich said that Schedule 5 described residue characteristics and indicated that the ash delivered would be conditioned with WesPhix a process Wheelabrator used in their Bridgeport plant. Mr. Wright agreed. Director Suzich wondered whether the Southeast Project or the Wallingford Project would face a similar requirement. Mr. Wright said the schedule referred only to the Bridgeport facility residue. However, he said, in order to make as much money as they can, Wheelabrator would have an incentive to bring in ash from the other projects and that they had informed us they wanted to. He said that CRRA had not been able to negotiate the characteristics of the ash for the other projects in time to complete the contract and that he believed that such a negotiation could have compromised the Southeast project's negotiations with its vendor over ash quality. He said that CRRA expected that it soon would seek to obtain a better understanding of what sort of standards would be required of those projects.

Director Belden asked on page 12, §2.1.5, who was the contractor and who was the operator. Mr. Wright said that the operator was Bridgeport RESCO and the contractor was Wheelabrator Putnam. Director Belden stated that CRRA had a responsibility to take the metal out of the ash in order to reduce the volume of tonnage that would go into the landfill. Mr. Wright said that CRRA did not have that obligation. Mr. Wright said the obligation to remove the metals was on Bridgeport RESCO and they were required to remove at least 19,000 tons or pay as if they had. Director Belden asked whether their contract required them to operate with the obligation to remove the metals. Mr. Wright said that the landfill company had the obligation of forcing Bridgeport RESCO to take out the metals or the landfill company would owe damages for 20,000 tons.

Director Belden stated that "contractor" was not defined in the agreement. Director Rylander said that on the first page it stated that Wheelabrator Putnam, Inc. from New Hampshire was the contractor.

Director Smith said on page 31 paragraph 9 the contract term was tied to expiration of the SWDA and that was not sure that SWDA was defined. Mr. Wright said the definition of that term was on page 6.

The motion previously made and seconded was unanimously approved.

**PROJECT REPORTS (Continued)**

**Bridgeport Project (Continued)**

**Residue Disposal Services Agreement with Wheelabrator Putnam, Inc. (Continued)**

Mr. Wright said that CRRA continues to talk both to the project towns and Wheelabrator about revising contractual arrangements, improving the budget for the upcoming year and refinancing. He said that CRRA has advised the towns that otherwise their tip fee next year would be \$95 a ton. He said that staff would keep the Board apprised of the status of those negotiations. Chairman Ellef said the failure to refinance would hurt the project more next year than it did this year. He said the reason the project was successful during the current year was because of actions taken by staff to find a cost-efficient means of disposing of ash from the Bridgeport Project at Hartford. He said that staff needs help to move Bridgeport to action on certain issues and asked Bridgeport Board members to assist Mr. Wright to manage Bridgeport to a resolution that would be to everyone's benefit. Mr. Wright said that staff would prepare a series of recommendations for the project. Director Belden said that this was not a new issue. Mr. Wright agreed.

**Mid-Connecticut Project**

**Extended Interim Municipal Solid Waste Services with the Town of Bloomfield and the Town of Canaan**

Director Timolat moved approval of the following resolution and Director Collins seconded the motion which was unanimously approved.

RESOLVED: That the Acting President is authorized to extend, on the same terms and conditions previously approved by the Board, the current interim arrangements with the Town of Bloomfield and the Town of Canaan for delivery of municipal solid waste until January 31, 1998 to allow time for execution of long term Municipal Solid Waste Agreements.

**Approval of Sweeper Purchases for Mid-Connecticut Project**

Director Belden moved approval of the following resolution and Director Sullivan seconded the motion which was unanimously approved.

RESOLVED: That the Acting President be authorized to purchase three (3) transfer station sweepers for the Mid-Connecticut Project from Tennant Company, substantially as presented as this meeting.

Director Belden moved approval of the following resolution and Director Collins seconded the motion which was unanimously approved.

**PROJECT REPORTS (Continued)**

**Mid-Connecticut Project (Continued)**

**Approval of Sweeper Purchases for Mid-Connecticut Project (Continued)**

RESOLVED: That the Acting President be authorized to purchase one (1) WPF sweeper for the Mid-Connecticut Project from Tennant Company, substantially as presented at this meeting.

Mr. Wright informed the Board that bulky waste space in the Hartford Landfill was being rapidly depleted. He said that he had met with the City Manager of Hartford and described the bulky waste situation to her. He said the City may wish CRRA to apply for an expansion of the landfill. Mr. Wright said such an expansion would probably be controversial. Nevertheless, he said, one of the ways CRRA expected to manage the bulky waste concern by purchasing a chipper to chop the larger items at the WPF so those items do not take up additional space at the landfill.

Director Marotta asked how much space remained. Mr. Martin said if the chipper could be installed within the immediate future, within three or four months, with cooperation from DEP for a temporary permit, CRRA could double the life span of the landfill to four years.

Mr. Martin said that CRRA's estimated that approximately 80% of the material going into the landfill was neither bulky waste nor non-processible waste and could be returned to the WPF to be combusted. Director Marotta briefly described the City Manager's plan regarding bulky waste. Mr. Wright said CRRA had sent Mr. Tracey to meet with City staff and expected to make recommendations on how the City could segregate various materials for possible disposal at Mid-Connecticut.

Chairman Ellef asked Mr. Wright before April 1 to have staff prepare for the Board a summary of what options the Authority will have when the current bulky waste disposal area closes.

**OLD BUSINESS**

**Maintenance Audit**

Mr. Wright said that the Maintenance Audit had been included in the Board package in October but the Board did not have an opportunity to discuss it. He said CRRA had never before undertaken an audit of the maintenance status of each plant.

Mr. Martin described four recommendations. First, he said, while all plants are being properly maintained, Johnson & Higgins recommended, a more advanced state-of-the-art maintenance procedure which is predicative rather than time-based. He said instead of checking equipment once a year, CRRA should predict when a piece of equipment should be looked at and follow up on that recommendation with the vendors. Second, Johnson & Higgins noted that the

**OLD BUSINESS (Continued)**  
**Maintenance Audit (Continued)**

turbines at the Mid-Connecticut Project are old turbines, approximately 55 years old. He said when turbines reach 60 years, they start to slow down. He noted that while the turbines were completely revamped in 1985 and 1986, CRRA should pay much more attention to the test results every year. Third, he said, the Southeast Project was operated at or above design levels all the times and even though American Ref-Fuel had an excellent maintenance procedure, the situation bears close monitoring. Fourth, he said, Johnson & Higgins recommended that CRRA staff perform their own maintenance audit annually.

**Connecticut Geography Alliance**

Chairman Ellef asked, in order to expedite consideration of this issue, that each Board member speak only once on the issue.

Vice Chairman St. John had no comment on the issue.

Director Chapin stated that he would vote in favor of the expenditure despite his economically conservative nature. He stated that with the exception of the Visitors Center, CRRA has little or no public image other than as an organization that in some cases may harm a community. He stated that he believed that an affiliation with the National Geographic Society would provide substantial benefits to the organization.

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Chairman Ellef requested Mr. Korber to address whether CRRA's enabling legislation permitted the expenditure. Mr. Korber stated that Chairman Ellef and Mr. Wright had asked him to examine the question raised by Director Flynn. Mr. Korber said that nothing in the statute explicitly authorizes the Authority to make such grants. Therefore, he said, he was unable to give a firm opinion whether or not the expenditure could be made. He said the Authority statute authorizes it to develop, manage and operate a solid waste management system as it had for the prior 20 years. He stated that the Authority's enabling legislation would be broadly interpreted to authorize the Authority to complete the system and operate it. He said the Board should consider whether marketing and public relations was an necessary part of that mission. He noted that the recycling trust fund contains language supporting recycling education. He further commented that the Authority's construction of the Visitors Center is was not explicitly authorized by the Authority's mandate either. Moreover, he directed the Board's attention to a recently approved grant providing transportation services for Bridgeport area students to the Stratford recycling

**OLD BUSINESS (Continued)**  
**Connecticut Geography Alliance (Continued)**

center. He concluded that in making these decisions the Board needed to exercise the sort of judgment the issue at hand required. He said that if the Board finds that image building, marketing and educational activities are appropriate for the Board in accomplishing its mission, then it had the power to do so. He said ultimately it was a question for the Board to decide. He noted two important concerns: 1) the proposed agreement provided an advisory committee that would make annual recommendations as to grant fund expenditures and that half of the voting strength of this advisory committee would rest with the Authority, and as a result the Authority would have substantial power to assure that the educational activities relate to Authority purposes; and 2) the opportunity to display the Authority name along side the National Geographic Society was clearly of importance and should be considered.

Director Marotta supported the expenditure and stated that increased participation and educational forums would lead to a public better educated on environmental issues. He said that the expenditure would provide useful publicity for the Authority throughout the state and a public better educated on issues CRRA faces.

Director Collins said she shared Director Flynn's concerns respecting the Authority's power to make the expenditure. She said that she did not believe that there was a substantial connection between the National Geographic Society and the solid waste system CRRA was charged with implementing. She stated that while she was an educator and sympathetic to educational issues, she did not believe that the expenditure was within the Board's statutory authorization.

Director Smith agreed with Director Flynn's concern regarding the status of the recycling trust fund after the proposed expenditure and sought a commitment from the Board to replenish the recycling trust fund to take advantage of future opportunities.

Director Timolat stated that he shared Director Flynn's concerns. He stated that it was difficult to make a connection between the National Geographic Society's mission and CRRA's. He stated, however, that ultimately CRRA's operations will be benefitted by a more knowledgeable public. He stated that a better educated state would more easily understand and accept CRRA's mission and the decisions it makes.

Director Belden commented on another agenda item. He asked about the recycling drawdown listed on Exhibit A in the amount of \$90,000 and asked whether that was the same item as an \$88,000 drawdown for the Southeast Project which appeared later on the agenda. Mr. Baxter confirmed that it was. Director Belden noted that with that drawdown the Board would have satisfied the total \$200,000 commitment made to the Southeast Project and would still have a \$400,000 balance left in the fund. He stated that the two funds together had sufficient funds to support the expenditure. He recalled an issue at the prior meeting concerning whether and from

**OLD BUSINESS (Continued)**  
**Connecticut Geography Alliance (Continued)**

where the necessary funds would be allocated and stated that he intended to vote in favor of the resolution.

Director B. Sullivan stated that he was very much in favor of the proposal that CRRA should involve itself in more good public works and hoped that additional such projects would be brought before the Board in the future.

Director Gilbert stated that he supported the proposal and thought it represented a good use of the trust fund dollars.

Director Webster expressed his strong support for the proposal and endorsed Director Chapin's comments regarding the need to elevate public awareness of the Authority and its mission. He stated that he had reviewed the proposal with a number of educators in his area and related their enthusiasm. He stated that most people in the state have little or no idea of what the Authority does and that aligning the Authority with the National Geographic Society would aid the public's understanding of the Authority and assist it in accomplishing its mission.

Director Suzich stated that he would vote against the proposal because he believed it to be an inappropriate use of CRRA's money.

Director Neary stated that he vote against the proposal unless the amount of the expenditure was reduced significantly. He stated that he had reviewed the matter with the SWAB Board during the prior week and they did not approve of the expenditure. He asked whether the Authority's grant would in fact be matched by a grant from the National Geographic Society. Chairman Ellef said that the National Geographic Society would provide \$500,000 to match the \$500,000 provided by the Authority.

Director Resigno declined to comment.

Director Rylander asked whether anyone had reviewed the content of the curriculum and whether the curriculum supported CRRA's goals. Chairman Ellef responded that the National Geographic Society had reviewed the sorts of programs it had supported in the past and that he found a correlation between those programs and the CRRA's mission. He noted, moreover, that the Memorandum of Agreement provides to CRRA significant power in steering the sorts of programs that will be supported in the future. Director Rylander commented that in Southeastern Connecticut CRRA's reputation had not been very good in the past. He noted that such a large expenditure was difficult when some towns are paying such high disposal costs but that he nevertheless supported CRRA's good intentions.



**OLD BUSINESS (Continued)**

**Connecticut Geography Alliance (Continued)**

Director Bzdyra supported the expenditure and stated her belief that quasi-public entities such as CRRA have the ability to support public education projects related to their field of endeavor. She stated that she believed the legislation was flexible enough to permit the expenditure.

Director Bzdyra moved approval of the following resolution and Director Belden seconded that motion.

**RESOLVED:** That the Connecticut Resources Recovery Authority grant to the National Geographic Society \$500,000, over a period of two years, for the establishment of The Connecticut Geography Education Fund, subject to and in accordance with such terms and conditions substantially similar to those presented at this meeting.

**FURTHER RESOLVED:** That the funds for this grant be withdrawn from the Authority's Development and Recycling Funds, substantially as presented at this meeting.

Director Belden proposed to amend the Further Resolved clause to specifically indicate that \$400,000 would come from the Recycling Trust Fund and \$100,000 would come from the Development Fund to be disbursed 50% during fiscal year '98 and 50% during fiscal year '99. Director Bzdyra agreed to the amendment.

Director Smith asked that the final Letter of Understanding be presented to the Board and that it address the curriculum concerns raised at the meeting.

The motion passed with 4 members opposed (Collins, Flynn, Neary and Suzich).

**NEW BUSINESS**

**Grant Request by the Southeastern Regional Resources Recovery Authority**

Director B. Sullivan moved approval of the following resolution and Vice Chairman St. John seconded the motion.

**RESOLVED:** That the Acting President is authorized to grant the final \$88,000 of a \$200,000 allocation from the CRRA Recycling Trust Fund to the Southeast Project for use in developing a recycling facility, substantially as presented at this meeting.

Director Suzich commented that the Southeast Authority would not request the funds until they issued a notice to proceed with the construction of their new facility and that such a notice should issue within the following several weeks.